

**This page is intentionally blank**

## FULL AND PART TIME BENEFITED EMPLOYEES IN FULL TIME EQUIVALENTS

Department	FY 03 Actual	FY 04 Budget	FY 04 Actual	FY 05 Budget	FY 06 Budget	Change FY 05 - 06
<b>MUNICIPAL BUDGET</b>						
Select Board/Town Manager	3.80	2.80	2.80	2.80	2.80	0.00
Finance	16.11	15.92	15.92	14.67	14.67	0.00
Human Resources	1.85	1.85	1.85	2.00	2.00	0.00
Human Rights	1.08	0.66	1.26	1.03	0.74	-0.29
Information Technology	4.50	4.17	4.17	4.50	4.50	0.00
Town Clerk	3.00	3.00	3.00	3.53	3.53	0.00
Elections/Registration	0.05	0.05	0.50	0.05	0.05	0.00
Facilities Maintenance	6.58	6.58	6.58	5.91	6.58	0.67
General Services	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL GENERAL GOVERNMENT</b>	<b>36.97</b>	<b>35.03</b>	<b>36.08</b>	<b>34.49</b>	<b>34.87</b>	<b>0.38</b>
Police Facility	1.00	1.00	1.00	1.00	1.00	0.00
Police	51.00	51.00	51.00	53.00	53.00	0.00
Fire/EMS	41.00	41.00	41.00	41.00	41.00	0.00
Communications Center	11.00	10.00	10.00	11.00	11.00	0.00
Animal Welfare	1.00	1.00	1.00	1.00	1.00	0.00
<b>TOTAL PUBLIC SAFETY</b>	<b>105.00</b>	<b>104.00</b>	<b>104.00</b>	<b>107.00</b>	<b>107.00</b>	<b>0.00</b>
Public Works Administration	3.66	4.00	4.00	4.00	3.40	-0.60
Highway	12.58	11.50	11.50	11.50	11.50	0.00
Street and Traffic Lights	0.50	0.50	0.50	0.50	0.00	-0.50
Equipment Maintenance	3.00	3.00	3.00	3.00	3.00	0.00
Town Cemeteries	0.00	0.00	0.00	0.00	0.50	0.50
Parks and Commons	3.00	4.50	4.50	4.50	4.50	0.00
Tree Care and Pest Control	3.00	3.00	3.00	3.00	2.50	-0.50
<b>TOTAL PUBLIC WORKS</b>	<b>25.74</b>	<b>26.50</b>	<b>26.50</b>	<b>26.50</b>	<b>25.40</b>	<b>-1.10</b>
Conservation	4.02	4.02	4.02	4.02	3.72	-0.30
Zoning	1.00	0.00	0.00	0.00	0.00	0.00
Planning Department	5.00	5.00	5.00	5.00	5.00	0.00
Inspections	6.00	5.53	5.53	6.00	6.00	0.00
<b>TOTAL PLAN./CONS./INSP.</b>	<b>16.02</b>	<b>14.55</b>	<b>14.55</b>	<b>15.02</b>	<b>14.72</b>	<b>-0.30</b>
Public Health	5.06	5.06	5.06	6.06	5.54	(0.52)
Senior Center	3.88	3.50	3.50	3.60	3.80	0.20
Children's/Human Services	1.00	1.00	1.00	1.00	1.00	0.00
Veterans' Services & Benefits	1.00	1.00	1.00	1.00	1.00	0.00
Leisure Services & Supplemental Education	9.99	9.96	9.96	10.30	10.30	0.00
Pools	0.20	0.20	0.20	0.35	0.35	0.00
<b>TOTAL COMMUNITY SERVICES</b>	<b>21.13</b>	<b>20.72</b>	<b>20.72</b>	<b>22.31</b>	<b>21.99</b>	<b>-0.32</b>
<b>TOTAL MUNICIPAL</b>	<b>204.86</b>	<b>200.80</b>	<b>201.85</b>	<b>205.32</b>	<b>203.98</b>	<b>-1.34</b>

\* Source: School Human Resource Department (9/2/05) - all numbers are based on actual fte's rather than budgetary

# **CONSOLIDATED RESOURCES / EXPENDITURES SUMMARY**

	GENERAL FUND FY 06 BUDGET	WATER FUND FY 06 BUDGET	SEWER FUND FY 06 BUDGET	SOLID WASTE FUND FY 06 BUDGET
<b>RESOURCES</b>				
<b>Revenues:</b>				
Taxes	33,075,681	0	0	0
Charges for Services	5,941,307	2,821,600	2,991,376	400,000
Earnings on Investments	210,000	16,094	58,160	10,000
Federal & State Revenue	15,150,768	273,877	0	0
Subtotal Revenues	54,377,756	3,111,571	3,049,536	410,000
Other Financing Sources:				
Borrowing	0	0	0	0
Stabilization	0	0	0	0
Available Funds	594,632	0	0	0
Free Cash/Retained Earnings	1,700,000	234,621	36,171	37,021
Other	0	0	0	0
Enterprise Reimbursements	638,371	0	0	0
Subtotal Other Financing Sources	2,933,003	234,621	36,171	37,021
<b>TOTAL RESOURCES</b>	<b>57,310,759</b>	<b>3,346,192</b>	<b>3,085,707</b>	<b>447,021</b>
<b>EXPENDITURES</b>				
State Assessments	63,181	0	0	0
Council of Governments	0	0	0	0
PVTA Assessment	681,240	0	0	0
PVPC Assessment	5,300	0	0	0
Retirement Assessment	2,492,946	0	0	0
Subtotal Assessments	3,242,667	0	0	0
Town Operating Budget	16,653,436	1,998,757	2,120,957	447,021
Debt Service	1,032,231	498,794	365,609	0
Capital Program	2,268,400	530,000	365,000	0
Tax Supported Special Services	0	0	0	0
Fee & Grant Supported Special Services	984,424	0	0	0
Subtotal Town Budgets	20,938,491	3,027,551	2,851,566	447,021
Amherst Elementary School Budget	18,455,714	0	0	0
Amherst-Pelham Regional School District	10,508,489	0	0	0
Debt Service	791,446	0	0	0
Capital Program	371,400	0	0	0
Grant Funded Special Services	449,093	0	0	0
Subtotal School Budgets	30,576,142	0	0	0
Jones Library Operating Budget	1,921,981	0	0	0
Jones Library Debt	69,696	0	0	0
Library Capital	35,000	0	0	0
Subtotal Jones Library	2,026,677	0	0	0
Reserve Fund	100,000	0	0	0
Reserve for Abatements & Exemptions	300,000	0	0	0
Interfund Transfers	126,782	318,641	234,141	0
<b>TOTAL EXPENDITURES</b>	<b>57,310,759</b>	<b>3,346,192</b>	<b>3,085,707</b>	<b>447,021</b>

## CONSOLIDATED RESOURCES / EXPENDITURES SUMMARY

GOLF COURSE FUND FY 06 BUDGET	TRANSPORTATION FUND FY 06 BUDGET	TOTAL FY 06 BUDGET	TOTAL FY 05 BUDGET	CHANGE FY 05-06
35,649	0	33,111,330	31,149,118	1,962,212
206,903	814,429	13,175,615	12,302,781	872,834
0	2,000	296,254	292,000	4,254
0	0	15,424,645	14,178,518	1,246,127
242,552	816,429	62,007,844	57,922,417	4,085,427
0	0	0	600,000	(600,000)
0	0	0	35,000	(35,000)
0	0	594,632	417,585	177,047
0	0	2,007,813	2,130,910	(123,097)
0	0	0	0	0
0	0	638,371	685,253	(46,882)
0	0	3,240,816	3,868,748	(627,932)
242,552	816,429	65,248,660	61,791,165	3,457,495
0	0	63,181	57,464	5,717
0	0	0	0	0
0	100,000	781,240	846,183	(64,943)
0	0	5,300	5,300	0
0	0	2,492,946	2,192,879	300,067
0	100,000	3,342,667	3,101,826	240,841
228,348	482,459	21,930,978	20,737,366	1,193,612
0	120,585	2,017,219	1,968,366	48,853
0	42,000	3,205,400	2,789,500	415,900
0	0	0	4,000	(4,000)
0	0	984,424	968,236	16,188
228,348	645,044	28,138,021	26,467,468	1,670,553
0	0	18,455,714	17,267,209	1,188,505
0	0	10,508,489	9,754,341	754,148
0	0	791,446	1,040,400	(248,954)
0	0	371,400	404,400	(33,000)
0	0	449,093	386,179	62,914
0	0	30,576,142	28,852,529	1,723,613
0	0	1,921,981	1,843,519	78,462
0	0	69,696	71,459	(1,763)
0	0	35,000	124,500	(89,500)
0	0	2,026,677	2,039,478	(12,801)
0	0	100,000	100,000	0
0	0	300,000	302,116	(2,116)
14,204	71,385	765,153	927,748	(162,595)
242,552	816,429	65,248,660	61,791,165	3,457,495



**GENERAL  
FUND**

## GENERAL FUND RESOURCES SUMMARY

**MISSION STATEMENT:** To provide sufficient funds from annually recurring revenues, from other financing sources and from reserves to finance general government services.

**OBJECTIVES:**  
See following pages.

### SERVICE LEVELS:

	<u>FY 00 Actual</u>	<u>FY 01 Actual</u>	<u>FY 02 Actual</u>	<u>FY 03 Actual</u>	<u>FY 04 Actual</u>
<u>Resource Composition</u>					
Revenues as percentage of Total Resources	99	96	99	96	92
Other Financial Sources as percentage of Total Resources	1	4	1	4	8



## GENERAL FUND RESOURCES SUMMARY

		FY 03 Actual	FY 04 Budget	FY 04 Actual	FY 05 Budget	FY 06 Budget	Change FY 05 - 06	Percent Change
Revenues	\$	46,363,498	46,652,477	46,919,879	50,336,444	54,377,756	4,041,312	8.0%
Other Financial Sources	\$	2,015,475	4,405,777	4,211,590	3,772,838	2,990,503	(782,335)	-20.7%
<b>TOTAL RESOURCES</b>	<b>\$</b>	<b>48,378,973</b>	<b>51,058,254</b>	<b>51,131,469</b>	<b>54,109,282</b>	<b>57,368,259</b>	<b>3,258,977</b>	<b>6.0%</b>

### MAJOR COMPONENTS:

Revenues include all local sources of taxation and fees that are constitutionally allowed and assessed on an annual basis. Other Financing Sources include funds available for expenditure by the General Fund that are drawn from reserves or represent assessments to other operating funds of the Town. These may be funds available only once, e.g., when an asset is sold, or they may be available each year that the services are provided to other funds.

### SIGNIFICANT BUDGET CHANGES:

Increases in the property tax to its Proposition 2 ½ levy limit and increases in state aid are used to support FY 06 expenditures. The budget relies upon a decreasing, but still significant amount of one-time reserves to support recurring expenditures. The contribution from Free Cash/Stabilization Fund reserves decreases by \$300,000 to a total of \$1,700,000. Overlay Surplus (\$272,585) used to support the FY 05 operating budget is not available in FY 06. The funding plan also assumes, as in FY 05, that none of the additional \$2,000,000 property tax increase from the general override approved by voters in March 2004 is allocated to support the Capital, Plan which in recent years has had a funding goal equal to 10% of the annual property tax levy.

## RESOURCES

## REVENUE SUMMARY

**MISSION STATEMENT:** To provide funds to meet the on-going needs of General Fund services.

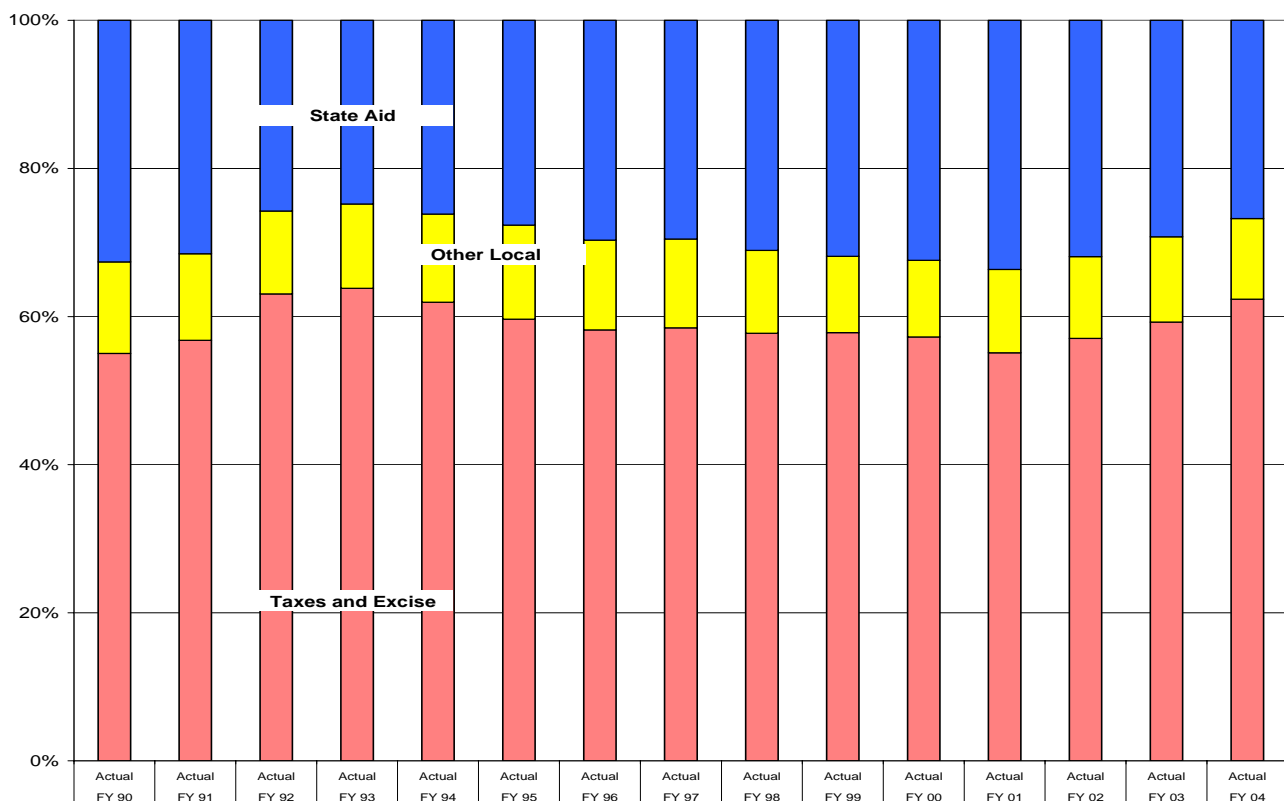
### CONTINUING OBJECTIVES:

To increase the tax levy within constraints of Proposition 2½.  
 To monitor state aid and local aid distributions and formulas.  
 To monitor availability of Federal and State Grants.  
 To develop fees, charges and other local sources of funding wherever possible.

### SERVICE LEVELS:

	<b>FY 00</b>	<b>FY 01</b>	<b>FY 02</b>	<b>FY 03</b>	<b>FY 04</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Actual</u></b>
As % of General Fund Revenues					
Taxes	57	54	56	58	60
Other Local Source Revenues	11	11	11	12	12
State Revenues	32	35	32	29	28
Federal Revenues	0	0	1	1	0

General Fund Revenues by Source FY 90 – FY 04



**RESOURCES****REVENUE SUMMARY**

		FY 03 Actual	FY 04 Budget	FY 04 Actual	FY 05 Budget	FY 06 Budget	Change FY 05 - 06	Percent Change
Taxes and Excise	\$	27,078,497	28,363,800	28,252,863	31,039,337	33,075,681	2,036,344	6.6%
Other Local Source Revenues	\$	5,498,916	5,284,347	5,420,073	5,392,466	6,151,307	758,842	14.1%
State Revenues	\$	13,604,224	12,817,857	13,062,089	13,718,169	14,944,296	1,226,127	8.9%
Federal Revenues	\$	181,861	186,472	184,855	186,472	206,472	20,000	10.7%
<b>TOTAL REVENUES</b>	<b>\$</b>	<b>46,363,498</b>	<b>46,652,477</b>	<b>46,919,879</b>	<b>50,336,444</b>	<b>54,377,756</b>	<b>4,041,312</b>	<b>8.0%</b>

**MAJOR COMPONENTS:**

See following pages.

**SIGNIFICANT BUDGET CHANGES:**

See following pages.

## RESOURCES

## TAXATION

**MISSION STATEMENT:** To provide tax support for General Fund services.

**CONTINUING OBJECTIVES:**

To manage the tax levy within constraints of Proposition 2½.

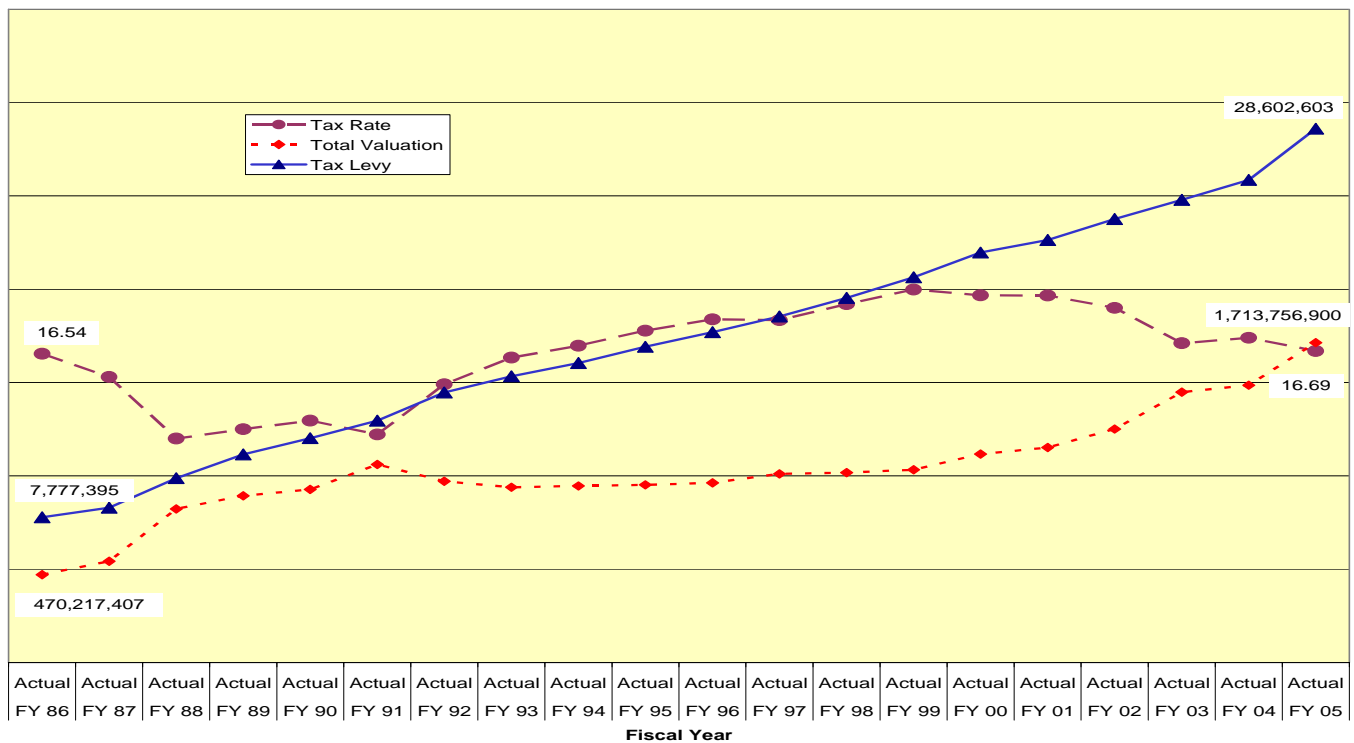
**FY 06 OBJECTIVES:**

To consider the need for and type of Proposition 2 ½ override necessary to balance the FY 06 Budget.

**SERVICE LEVELS:**

	<u>FY 00 Actual</u>	<u>FY 01 Actual</u>	<u>FY 02 Actual</u>	<u>FY 03 Actual</u>	<u>FY 04 Actual</u>
<u>Taxes as % of Total General Fund Revenues</u>					
Real and Personal Property Taxes	51	49	50	55	55
Other Taxes	5	5	5	5	5

Comparison of Changes in Tax Rates, Property Valuations and Tax Levies FY 86- FY 05



Property tax assessments are based on property values. In Amherst, the property value base has increased 264% since FY 86. Tax levy increases are limited each year by Proposition 2½, state legislation enacted in FY 81. The tax levy, representing the total taxes assessed each year on all properties, has increased 267% since FY 86. The tax rate, applied per \$1,000 of assessed value, has declined 1% in the same period.

**RESOURCES****TAXATION**

		FY 03 Actual	FY 04 Budget	FY 04 Actual	FY 05 Budget	FY 06 Budget	Change FY 05 - 06	Percent Change
Real & Personal								
Property Taxes	\$	24,579,780	25,880,332	25,676,547	28,602,603	30,546,196	1,943,593	6.8%
RE Tax Supplemental Assessments		0	0	0	45,000	45,000	0	0.0%
Payments In Lieu of Taxes	\$	965,793	1,038,468	994,497	916,734	935,470	18,736	2.0%
Excise Taxes	\$	1,532,925	1,445,000	1,581,819	1,475,000	1,549,015	74,015	5.0%
<b>TOTAL TAXES &amp; EXCISE</b>	<b>\$</b>	<b>27,078,497</b>	<b>28,363,800</b>	<b>28,252,863</b>	<b>31,039,337</b>	<b>33,075,681</b>	<b>2,036,344</b>	<b>6.6%</b>

**MAJOR COMPONENTS:**

Real and Personal Property Taxes are the Town's largest source of revenue. Payments in lieu of taxes include taxes assessed to municipal enterprise funds (approximately 90% of total payments). Excise taxes include motor vehicle, farm animal and boat excise.

**SIGNIFICANT BUDGET CHANGES:****CALCULATION OF TAX LEVY:**

	<u>FY 05 Actual Tax Levy</u>	<u>FY 06 Estimated Tax Levy</u>
Prior Year Levy Limit	\$ 25,275,058	\$ 28,639,551
2 ½ % Allowable Increase	631,876	715,989
Estimated New Growth	732,617	960,000
General Override	<u>2,000,000</u>	<u>0</u>
Levy Limit	28,639,551	30,315,540
Regional School Debt Override	<u>555,553</u>	<u>230,656</u>
Total Estimated FY 06 Tax Levy	29,195,104	30,546,196
Actual Tax Levy	<u>28,602,603</u>	<u>30,546,196</u>
Excess Levy Capacity	<u>592,501</u>	<u>0</u>

This budget assumes the Town will increase the tax levy to the Proposition 2 ½ levy limit in FY 06.

**RESOURCES****OTHER LOCAL SOURCE REVENUES****MISSION STATEMENT:**

To provide revenues to support General Fund services.

**FY 06 OBJECTIVES:**

To review current fee levels in relation to FY 06 costs of services.

**SERVICE LEVELS:**

	<b><u>FY 00</u></b> <b><u>Actual</u></b>	<b><u>FY 01</u></b> <b><u>Actual</u></b>	<b><u>FY 02</u></b> <b><u>Actual</u></b>	<b><u>FY 03</u></b> <b><u>Actual</u></b>	<b><u>FY 04</u></b> <b><u>Actual</u></b>
Revenues as % of Local Source Revenues					
Charges for Services	57	62	56	60	64
Penalties, Interest and Fines	5	5	6	6	5
Interest on Investments	11	6	8	6	4
Miscellaneous	27	27	30	29	27
Revenues as % of all Revenue					
Charges for Services	6	7	7	7	7
Penalties, Interest and Fines	1	1	1	1	1
Interest in Investments	1	1	1	1	0
Miscellaneous	3	3	4	3	3

**RESOURCES****OTHER LOCAL SOURCE REVENUES**

		FY 03 Actual	FY 04 Budget	FY 04 Actual	FY 05 Budget	FY 06 Budget	Change FY 05 - 06	Percent Change
Charges for Services								
General Fund	\$	1,176,898	1,022,331	1,131,856	1,044,559	1,199,300	154,741	14.8%
Special Revenue Funds	\$	2,107,314	2,322,985	2,332,292	2,511,835	2,904,143	392,308	15.6%
Penalties, Interest & Fines	\$	316,273	209,500	291,260	285,500	285,500	0	0.0%
Earnings on Investments	\$	314,818	305,000	190,541	190,000	210,000	20,000	10.5%
Miscellaneous	\$	1,583,613	1,424,532	1,474,123	1,360,572	1,552,364	191,792	14.1%
<b>TOTAL OTHER LOCAL SOURCE REVENUES</b>	<b>\$</b>	<b>5,498,916</b>	<b>5,284,347</b>	<b>5,420,073</b>	<b>5,392,466</b>	<b>6,151,307</b>	<b>758,842</b>	<b>14.1%</b>

**MAJOR COMPONENTS:**General Fund:

General Government	\$119,000
Public Safety	146,500
Public Works	6,750
Health & Human Services	28,915
Libraries	5,000
Swimming Programs	60,000
Conservation	4,000
Rent	40,000
Miscellaneous	20,635
Schools	75,000
Business Licenses & Permits	192,010
Non-Business Licenses & Permits	<u>503,990</u>
Total General Fund	<u>\$1,201,800</u>

Special Revenue Funds:

Ambulance	\$1,693,240
Recreation Revolving Account	841,604
Adult Education Revolving Account	111,628
School Lunch Revolving Account	255,171
Sale of Cemetery Lots	<u>2,500</u>
Total Special Revenue Funds	<u>\$2,904,143</u>

Miscellaneous

Jones Library Inc.	
Direct & Indirect Contributions	\$ 470,340
Library State Aid	80,314
Umass/Five College Reimbursements	592,276
LSSE Reimbursement	189,434
Other	<u>220,000</u>
Total Miscellaneous	<u>\$1,361,007</u>

**SIGNIFICANT BUDGET CHANGES:**

The increase in Special Revenue Charges for Services is largely attributable to ambulance receipts. The amount used to support the FY 06 operating budget is increased by \$163,240. This includes a \$124,000 increase to support the Fire Department budget and an additional \$39,240 to fund a second Finance Department position responsible for ambulance billing and for increased deputy collection fees. The remaining increase supports capital expenditures. School Lunch Revolving Account receipts are estimated to increase by \$63,072 based upon FY 04 actual Cherry Sheet receipts. Earnings on Investments are projected to increase by \$20,000 as interest rates have begun to increase from 40-year lows.

Other miscellaneous revenues include a donation of (capital plan) \$70,000 from Amherst college for school computers, \$100,000 transfer of unspent capital article balance to support FY 06 capital plan, and an estimated \$50,000 from UMass to support the Fire/EMS budget. In August, UMass Chancellor John Lombardi and Town officials announced that UMass would contribute \$80,000 in FY06.

## RESOURCES

## STATE & FEDERAL REVENUES

**MISSION STATEMENT:** To administer state revenues received for general purposes and purposes related to specific grants.

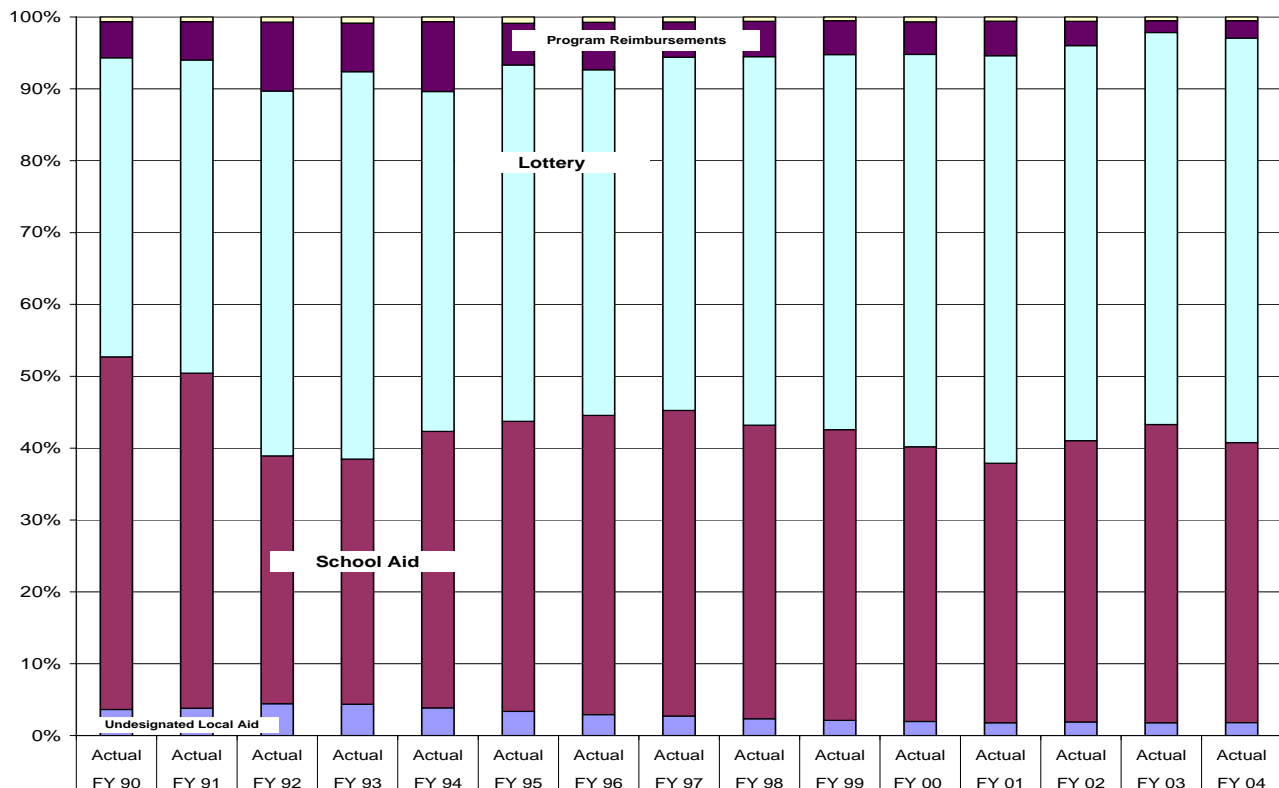
### CONTINUING OBJECTIVES:

To review and monitor Local Aid distributions, the availability of other State and Federal funds and the Local Aid and Education Reform formulas.

### SERVICE LEVELS:

	<u>FY 00 Actual</u>	<u>FY 01 Actual</u>	<u>FY 02 Actual</u>	<u>FY 03 Actual</u>	<u>FY 04 Actual</u>
State revenues as a % of General Fund Revenues	34	35	33	29	28
Federal revenue as a % of General Fund Revenues	0	0	1	1	0

State Revenues by Category FY 90 – FY 04





**RESOURCES****STATE & FEDERAL REVENUES**

		FY 03 Actual	FY 04 Budget	FY 04 Actual	FY 05 Budget	FY 06 Budget	Change FY 05 - 06	Percent Change
Federal Aid	\$	181,861	186,472	184,855	186,472	206,472	20,000	10.7%
Chapter 70	\$	5,584,709	4,763,773	4,763,773	4,931,612	5,572,787	641,175	13.0%
Lottery	\$	7,340,618	6,883,094	6,883,094	6,883,094	7,967,674	1,084,580	15.8%
Additional State Aid		0	0	0	817,054	0	(817,054)	-100.0%
Other Cherry								
Sheet Revenues	\$	529,210	582,990	591,251	666,409	740,143	73,734	11.1%
State and Federal Grants	\$	149,687	588,000	823,971	420,000	663,692	243,692	58.0%
<b>TOTAL STATE &amp; FEDERAL</b>	<b>\$</b>	<b>13,786,085</b>	<b>13,004,329</b>	<b>13,246,944</b>	<b>13,904,641</b>	<b>15,150,768</b>	<b>1,246,127</b>	<b>9.0%</b>

**MAJOR COMPONENTS:**

Federal Aid	
School Lunch	\$206,472
State Cherry Sheet Aid	
Abatements	26,647
Veterans Benefits	43,945
Local Aid Fund	222,910
Lottery	7,967,674
Chapter 70 School Aid	5,572,787
Charter School Assessment	16,224
Charter School Facility Reimbursement	745
School Lunch Program	7,450
Police Career Incentive	173,770
State-Owned Land	167,319
Public Libraries	81,133
Subtotal Cherry Sheet	\$14,280,604
Other State and Federal Restricted Grants	
Arts Lottery	15,000
Chapter 90	632,500
Council on Aging Formula Grant	16,192
	\$663,692

**SIGNIFICANT BUDGET CHANGES:**

Chapter 70 School Aid and other Cherry Sheet Aid is estimated to increase by a total exceeding \$900,000. Lottery Aid is assumed to include in its FY 06 base \$817,054 distributed in FY 05 as Additional Local Aid plus growth revenues. Increases in the Chapter 90 grant program supports street resurfacing and road equipment components of the Capital Plan. The formula grant from the Executive Office of Elder Affairs (EOEA) is increased to \$16,192 to support staff in the Senior Center (Council on Aging).

**RESOURCES****OTHER FINANCIAL SOURCES**

**MISSION STATEMENT:** To make use of sources other than recurring revenues to finance government services and specific major capital projects.

**CONTINUING OBJECTIVES:**

To transfer appropriate amounts from enterprise funds for services provided by General Fund departments.  
To manage debt financing in accordance with the Capital Plan.

**FY 06 OBJECTIVES:**

To use Free Cash and/or Stabilization Fund reserves to balance the FY 06 budget.

**SERVICE LEVELS:**

	<b><u>FY 00</u></b> <b><u>Actual</u></b>	<b><u>FY 01</u></b> <b><u>Actual</u></b>	<b><u>FY 02</u></b> <b><u>Actual</u></b>	<b><u>FY 03</u></b> <b><u>Actual</u></b>	<b><u>FY 04</u></b> <b><u>Actual</u></b>
<b>% of Total Resources</b>					
Free Cash	1	0	0	3	7
Stabilization Fund	0	0	0	0	0
Other (borrowing)	0	2	0	0	0
Transfers From Other Funds	1	2	2	2	1

**RESOURCES****OTHER FINANCING SOURCES**

		FY 03 Actual	FY 04 Budget	FY 04 Actual	FY 05 Budget	FY 06 Budget	Change FY 05 - 06	Percent Change
<b>OTHER FINANCING SOURCES</b>								
Borrowing Authorization	\$	0	0	0	600,000		(600,000)	0.0%
Stabilization Fund from 10% plan	\$	0	0	0	35,000	0	(35,000)	0.0%
Enterprise Reimbursements	\$	717,212	718,777	735,590	685,253	638,371	(46,882)	-6.8%
Available Funds	\$	0	211,000	0	417,585	594,632	177,047	42.4%
Free Cash/Stabilization Fund	\$	1,298,263	3,476,000	3,476,000	2,035,000	1,700,000	(335,000)	-16.5%
Other Interfund Transfers	\$	0	0	0	0	57,500	57,500	0.0%
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>\$</b>	<b>2,015,475</b>	<b>4,405,777</b>	<b>4,211,590</b>	<b>3,772,838</b>	<b>2,990,503</b>	<b>(782,335)</b>	<b>-20.7%</b>

**MAJOR COMPONENTS:**

Enterprise Fund Reimbursements cover services provided by various departments of the General Fund. (For detail see Water, Sewer, Golf Course and Transportation Enterprise budgets.)

**SIGNIFICANT BUDGET CHANGES:**

Enterprise Fund Reimbursements to the General Fund decrease because of a one-time reimbursement received in FY 05 from the Transportation Fund totaling \$70,045 to correct a prior year error. Available funds include \$594,632 of Community Preservation Act funds to support the Capital Plan. Overlay Surplus funds totaling \$272,585 appropriated to balance the FY 05 operating budget are not available in FY 06. A total of \$1,700,000 is included from a combination of Free Cash/Stabilization Fund reserves to balance the FY 06 budget, a decrease of \$300,000 from FY 05. This is consistent with Finance Committee policy guidelines developed in 2004 that suggested a three-year drawdown of reserves for the period FY 05 – 07 to deal with state aid reductions while preserving at least a \$1,000,000 balance in Free Cash for emergencies. A drawdown of \$1,700,000 represents 50% of remaining reserves (not including the \$1,000,000 reserved for emergencies). Other interfund transfers include \$57,500 balance from a state grant for the Brickyard conservation Area that is used to fund a portions of the Plum Brook Recreation Area capital project.

## MUNICIPAL OPERATING BUDGET SUMMARY

		FY 03 Actual	FY 04 Budget	FY 04 Actual	FY 05 Budget	FY 06 Budget	Change FY 05 - 06	Percent Change
General Government	\$	3,981,832	4,086,851	4,030,999	4,381,679	5,179,244	797,565	18.2%
Public Safety	\$	6,856,903	7,179,309	7,150,214	7,428,016	7,533,043	105,027	1.4%
Public Works	\$	1,762,685	1,654,697	1,668,639	1,699,259	1,632,841	(66,418)	-3.9%
Planning, Conservation & Inspections	\$	764,023	787,180	745,984	782,552	782,627	75	0.0%
Community Services	\$	1,382,114	1,410,049	1,239,440	1,465,027	1,525,681	60,654	4.1%
<b>TOTAL APPROPRIATION</b>	<b>\$</b>	<b>14,747,557</b>	<b>15,118,086</b>	<b>14,835,276</b>	<b>15,756,533</b>	<b>16,653,436</b>	<b>896,903</b>	<b>5.7%</b>

### **SIGNIFICANT CHANGES:**

The proposed budget increases by 5.7% and represents funding required to provide the same or similar level of services to the Town in FY 06. Unfunded needs are described in departmental budget descriptions throughout this document. Significant increases include an 18.4% jump (\$249,797) in employee/retiree health insurance costs, veterans benefits increases due to an increased caseload (partially offset by state reimbursements), and employee pay adjustments. The funding plan also assumes, as in FY 05, that none of the additional \$2,000,000 property tax increase from the general override approved by voters in March 2004 is allocated to support the Capital Plan which in recent years has had a funding goal equal to 10% of the annual property tax levy. Instead, it is used to support the operating budget.